

IN THE CLAIMS:

1. (Currently amended) A computer implemented method for customizing direct marketing materials, comprising:
 - developing models to predict customer purchases;
 - scoring customers for each predictive model;
 - determining specific layout areas;
 - determining where a particular product can be placed in the layout areas; and
 - using an optimization model to customize the layout areas for customers, wherein the optimization model used to customize the layout areas is at least one of a transportation model, a network model, or a generalized network model.
2. (Currently amended) The computer implemented method according to claim 1, wherein the step of determining specific layout areas further comprises determining the maximum and minimum possible sizes for each product layout area.
3. (Currently amended) The computer implemented method according to claim 1, wherein the step of determining specific layout areas further comprises determining a preference multiplier for each layout area.
4. (Currently amended) The computer implemented method according to claim 1, further comprising passing the optimization model ~~output~~ to a print manager for printing only if the expected profit exceeds the production cost of the customized layout areas.
- 5-7. (Canceled)
8. (Currently amended) The computer implemented method according to claim 1, wherein the ~~customization~~ optimization model used to customize the layout areas is directed at a niche market.

9. (Currently amended) The computer implemented method according to claim 1, wherein the customization optimization model used to customize the layout areas is directed at individual customers.

10. (Currently amended) A computer program product in a computer readable medium for use in a data processing system for customizing direct marketing materials, the computer program product comprising:

instructions for developing models to predict customer purchases;

instructions for scoring customers for each predictive model;

instructions for determining specific layout areas;

instructions for determining where a particular product can be placed in the layout areas; and

instructions for using an optimization model to customize the layout areas for customers, wherein the optimization model used to customize the layout areas is at least one of a transportation model, a network model, or a generalized network model.

11. (Currently amended) The computer program product according to claim 10, wherein the instructions for determining specific layout areas further comprises instructions for determining the maximum and minimum possible sizes for each ~~product~~ layout area.

12. (Original) The computer program product according to claim 10, wherein the instructions for determining specific layout areas further comprises instructions for determining a preference multiplier for each layout area.

13. (Currently amended) The computer program product according to claim 10, further comprising instructions for passing the optimization model ~~output~~ to a print manager for printing only if the expected profit exceeds the production cost of the customized layout areas.

14-16. (Canceled)

17. (Currently amended) The computer program product according to claim 10, wherein the ~~customization~~ optimization model used to customize the layout areas is directed at a niche market.
18. (Currently amended) The computer program product according to claim 10, wherein the ~~customization~~ optimization model used to customize the layout areas is directed at individual customers.
19. (Currently amended) A system for customizing direct marketing materials, comprising:
- means for developing models to predict customer purchases;
 - means for scoring customers for each predictive model;
 - means for determining specific layout areas;
 - means for determining where a particular product can be placed in the layout areas; and
 - means for using an optimization model to customize the layout areas for customers, wherein the optimization model used to customize the layout areas is at least one of a transportation model, a network model, or a generalized network model.
20. (Currently amended) The system according to claim 19, wherein the means for determining specific layout areas further comprises means for determining the maximum and minimum possible sizes for each ~~product~~ layout area.
21. (Original) The system according to claim 19, wherein the means for determining specific layout areas further comprises means for determining a preference multiplier for each layout area.
22. (Currently amended) The system according to claim 19, further comprising means for passing the optimization model ~~output~~ to a print manager for printing only if the expected profit exceeds the production cost of the customized layout areas.

23-25. (Canceled)

26. (Currently amended) The system according to claim 19, wherein the ~~eustomization~~ optimization model used to customize the layout areas is directed at a niche market.

27. (Currently amended) The system according to claim 19, wherein the ~~eustomization~~ optimization model used to customize the layout areas is directed at individual customers.